

G. DUKES SCOTT
EXECUTIVE DIRECTOR

P.O. Box 11263
Columbia, S.C. 29211



Phone: (803) 737-0800
Fax: (803) 737-0801

DAN F. ARNETT
CHIEF OF STAFF

JOHN W. FLITTER
DIRECTOR
ELECTRIC & GAS REGULATION

August 12, 2008

VIA ELECTRONIC-DELIVERY

Mr. Charles L.A. Terreni
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Application of Duke Energy Carolinas, LLC for Approval of the Transfer and Sale of Property
Located in Chapel Hill, North Carolina
Docket No. 2008-258-E

Dear Mr. Terreni:

This is to inform the Public Service Commission of South Carolina ("Commission") that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing and further discussed with Duke Energy Carolinas, LLC's ("Company") the specifics of the proposed property sale. ORS determined through our discussions that the actual depreciated book value of the Property is \$1,194,285 instead of the amount listed in the Application of \$1,095,839. This difference resulted from two variances: 1) the original figure was based on an estimate of the acreage to be sold prior to a precise survey being obtained and; 2) depreciation was continuing to be accumulated. The Company is aware and agrees that the correct number is \$1,194,285. Other than this correction to the Application, ORS has no objection to the Company's request.

Thank you for the opportunity to provide the Commission our comments in this matter.

Sincerely,

John W. Flitter

JWF/sh

cc: Dan F. Arnett, Chief of Staff, SC ORS
Nanette S. Edwards, Chief Counsel and Director of Legal Services, SC ORS
Lessie Hammonds, Esquire, SC ORS
Catherine E. Heigel, Assistant General Counsel, Duke Energy Carolinas
Frank R. Ellerbe, III, Esquire, Robinson McFadden & Moore PC
Dr. James Spearman, Executive Assistant, PSCSC